

UNITED STATES DISTRICT COURT
DISTRICT OF MASSACHUSETTS

PARLEX CORPORATION,
Plaintiff,

v.

KDI PRECISION PRODUCTS, INC.,
Defendant.

CIVIL ACTION NO. 04 CV 10109-DPW

FILED
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DISTRICT COURT
DISTRICT OF MASS.

PLAINTIFF'S ANSWER TO DEFENDANT'S COUNTERCLAIMS

Now comes the Plaintiff/Defendant-in-Counterclaim, Parlex Corporation ("Plaintiff"), in the above entitled action and replies paragraphically to the Counterclaim of Defendant/Plaintiff-in-Counterclaim, KDI Precision Products, Inc. ("Defendant"), as follows:

1. The Plaintiff admits the allegations contained in Paragraph One of Defendant's Counterclaim.
2. The Plaintiff admits the allegations contained in Paragraph Two of Defendant's Counterclaim.
3. The Plaintiff admits the allegations contained in Paragraph Three of Defendant's Counterclaim.
4. The Plaintiff admits the allegations contained in Paragraph Four of Defendant's Counterclaim.
5. The Plaintiff admits the allegations contained in Paragraph Five of Defendant's Counterclaim.
6. The Plaintiff denies the allegations contained in Paragraph Six of Defendant's Counterclaim.
7. The Plaintiff denies the allegations contained in Paragraph Seven of Defendant's Counterclaim.
8. The Plaintiff denies the allegations contained in Paragraph Eight of Defendant's Counterclaim.

9. The Plaintiff denies the allegations contained in Paragraph Nine of Defendant's Counterclaim.

10. The Plaintiff denies the allegations contained in Paragraph Ten of Defendant's Counterclaim.

11. The Plaintiff denies the allegations contained in Paragraph Eleven of Defendant's Counterclaim.

12. The Plaintiff denies the allegations contained in Paragraph Twelve of Defendant's Counterclaim.

First Affirmative Defense

The Counterclaim fails to state a claim upon which relief can be granted and should be dismissed, pursuant to Fed. R. Civ. P. 12(b)(6).

Second Affirmative Defense

The Defendant's claims are barred by the doctrine of estoppel.

Third Affirmative Defense

The Defendant's claims are barred by the doctrine of waiver.

Fourth Affirmative Defense

The Plaintiff states that they were justified in their conduct and acts and are, therefore, not liable to the Defendant as alleged in the Counterclaim.

Fifth Affirmative Defense

The Defendant's claims are barred by the doctrine of laches

Sixth Affirmative Defense

The Defendant's claims are barred by the doctrine of unclean hands.

Seventh Affirmative Defense

The Plaintiff states that the Defendant has suffered no damages as a result of any act or omission on the part of the Plaintiff.

Eighth Affirmative Defense

The Plaintiff states that if they failed to perform any of its obligations referred to in the Defendant's Counterclaim, they were excused from the performance of such obligations.

Ninth Affirmative Defense

The Plaintiff states that they were ready and willing to perform all of the covenants required to be performed on their part by the agreement or contract referred to in the Counterclaim, but were obstructed and prevented from doing so by the Defendant.

Tenth Affirmative Defense

The Defendant's claims are barred by their own breach of contract.

Eleventh Affirmative Defense

The Plaintiff states that if any monies are currently due and owing to the Defendant, said amount is reduced under the doctrine of setoff and recoupment to zero and, therefore, the Defendant is owed nothing.

Twelfth Affirmative Defense

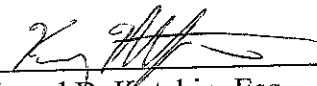
The Plaintiff states that the agreement or contract alleged in the Defendant's counterclaim was terminated, and that therefore the Defendant cannot recover.

CLAIM FOR JURY TRIAL

THE PLAINTIFF/DEFENDANT-IN-COUNTERCLAIM DEMANDS A TRIAL BY
JURY ON ALL ISSUES IN THE COMPLAINT.

Dated: March 29, 2004

Parlex Corporation
By its attorneys,




Edward D. Kutchin, Esq.
BBO# 281920
Kerry R. Northup, Esq.
BBO# 633016
Kutchin & Rufo, P.C.
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CERTIFICATE OF SERVICE

I hereby certify that I have served the within document, by mailing a copy thereof, to
Brendan M. Hare, Hare & Chaffin, 160 Federal Street, Boston, MA 02110.

Dated: March 29, 2004


Kerry R. Northup

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